



**Agenda Item Number: 2005-2-7A**

## **BERNALILLO COUNTY BOARD OF COUNTY COMMISSIONERS**

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**Meeting Date:** February 22, 2005

**Department:** Finance **Staff Contact:** Hughes and Strumor, Ltd. Co. Bond Counsel  
Thaddeus Lucero, County Manager  
Dan Mayfield, Deputy County Manager

**TITLE:** MRCOG Building Renovation

**ACTION:** Motion to:

1. Approve transfer of funds for renovation of the MRCOG Building
2. Authorize the County Manager to negotiate lease amendment and schedule of payments

### **SUMMARY:**

At the April 27, 2004 Administrative Meeting, the Board approved the sale of project revenue bonds to be used to purchase and renovate the office building that will be owned by the County and leased to the Mid-Region Council of Governments (MRCOG). Series 2004 project revenue bonds in the amount of \$2,000,000 were sold on July 30, 2004. However, MRCOG requires an additional \$200,000 to complete renovation of the building. The County can transfer the \$200,000 from its reserve for building maintenance.

MRCOG leases the building for the term of the Bonds at a rent that will pay for the debt service on the project revenue bonds and the \$200,000 transfer. The money will be repaid over 15 years with interest at 3.9%, the current rate the County would pay to issue 15 year General Obligation Bonds. It is MRCOG's intent to pay it off early. After the project revenue bonds and transfer are paid, the lease will terminate and the property will be transferred to the MRCOG.

### **FISCAL IMPACT**

The County will transfer the funds from its reserve for building maintenance. It will be repaid over 15 years at the current 15 year General Obligation Bond rate.

### **ATTACHMENT:**

1. Lease Purchase Agreement, Exhibit B, Schedule of Basic Rent Payments

### **STAFF ANALYSIS SUMMARY**

**COUNTY MANAGER**

**FINANCE**

Funds are available from the Building Maintenance Reserve account. The building qualifies since the County owns it until the terms of the lease are satisfied. Teresa Byrd, Budget Director  
02/17/05

**LEGAL**

Hughes & Strumor, Bond Counsel, had prepared the lease amendment documents. TDC  
2/17/05